

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

May 30, 2003

IN RE:

**REVISIONS TO THE STATEMENT
OF GENERALLY AVAILABLE TERMS
AND CONDITIONS OF BELL SOUTH
TELECOMMUNICATIONS, INC.**

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**DOCKET NO.
03-00079**

**ORDER APPROVING REVISIONS TO THE STATEMENT OF
GENERALLY AVAILABLE TERMS AND CONDITIONS OF BELL SOUTH
TELECOMMUNICATIONS, INC. RELATING TO RATE ELEMENTS**

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate, and Director Ron Jones, of the Tennessee Regulatory Authority ("Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on April 24, 2003 to consider revisions filed by BellSouth Telecommunications, Inc. ("BellSouth") on January 28, 2003 to three (3) rate elements contained in its Statement of Generally Available Terms and Conditions ("SGAT"). These proposed revisions were originally filed in Docket No. 97-00309, *In re: BellSouth Telecommunications, Inc.'s Entry Into Long Distance (InterLATA) Service in Tennessee Pursuant to Section 271 of the Telecommunications Act of 1996*, but were subsequently transferred to the instant docket.

Statutory Framework

An SGAT functions as an interconnection agreement that competing local exchange carriers ("CLECs") may accept without the need for separate negotiation. SGATs are governed by 47 U.S.C. § 252(f), which permits a Bell operating company such as BellSouth

to prepare and file with State commissions a statement of the terms and conditions that such company generally offers within that State to comply with the requirements of 47 U.S.C. § 251 and the regulations thereunder and the standards applicable under 47 U.S.C. § 252. SGATs filed with State commissions are subject to review pursuant to 47 U.S.C. § 252(f), which states:

(2) State commissions may not approve such statement unless such statement complies with subsection (d) of this section and section 251 of this title and the regulations thereunder. Except as provided in section 253 of this title, nothing in this section shall prohibit a State commission from establishing or enforcing other requirements of State law in its review of such statement, including requiring compliance with intrastate telecommunications service quality standards or requirements.

Accordingly, a state commission may not approve an SGAT unless it is consistent with the regulations promulgated by the Federal Communications Commission ("FCC") under 47 U.S.C. § 251 and the cost-based pricing standards for network elements set forth in 47 U.S.C. § 252(d).

Relevant Background

On April 26, 2002, BellSouth submitted its third filing pursuant to 47 U.S.C. § 271 to the Authority in Docket No. 97-00309. After substantial negotiation, the parties in that Docket reached a Settlement Agreement on the issues related to 47 U.S.C. § 271 that were before the Authority.¹ On August 7, 2002, the panel in Docket No. 97-00309 unanimously voted to accept the Settlement Agreement and to reconvene on August 26, 2002 to deliberate the merits of the issues remaining in Docket No. 97-00309.²

¹ The Settlement Agreement addressed issues raised in Docket No. 97-00309, Docket No. 01-00193 and Docket No. 01-00362. The panels assigned to each of those dockets unanimously voted to accept the Settlement Agreement.

² The *Order Approving Settlement Agreement* in Docket No. 97-00309 memorializing these decisions was issued on August 29, 2002.

During the August 26, 2002 Hearing, the panel considered BellSouth's request that the Authority find that its SGAT is consistent with 47 U.S.C. § 251 and contains cost-based rates for network elements consistent with 47 U.S.C. § 252(d). A majority of the panel voted to approve the SGAT under Section 252(f) based on the findings that BellSouth's SGAT satisfies the requirements of 47 U.S.C. §§ 251 and 252(d).³ On January 28, 2003, BellSouth filed in Docket No. 97-00309 the document presently under consideration proposing to revise certain portions of its SGAT rate sheet.

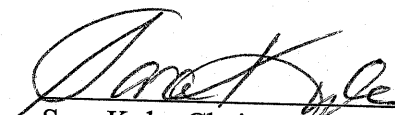
The April 24, 2003 Authority Conference

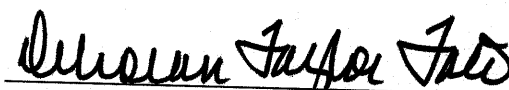
At the regularly scheduled Authority Conference on April 24, 2003, the panel assigned to this docket considered the proposed revisions to BellSouth's SGAT rate sheet. The panel unanimously approved the revisions with the following modifications. The panel directed BellSouth to modify: (1) Element A5.6 to reflect the rates filed in *Generic Docket to Establish UNE Prices for Line Sharing Per FCC 99-355, and Riser Cable and Terminating Wire as Ordered in TRA Docket No. 98-00123*, Docket No. 00-00544, as modified by BellSouth's June 4, 2002 *Compliance Filing* in Docket No. 00-00544; (2) Element A6.6 to make the additional nonrecurring charge therein consistent with BellSouth's June 4, 2002 *Compliance Filing*; (3) Element E5.4 to reflect BellSouth's proposed revision to Element D5.3; and (4) the combination Element P50.ISDN-2 to reflect the correct rate for B1.5. In addition, the panel directed BellSouth to categorize the rate for Element J3.1 as a nonrecurring charge, rather than a recurring charge. The panel ordered BellSouth to refile its SGAT rate sheet with the above stated revisions no later than April 30, 2003.

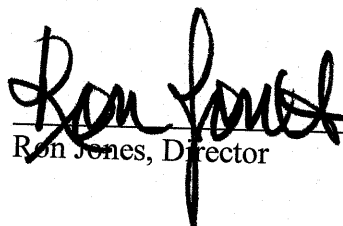
³ Director Tate did not vote with the majority. Director Tate stated that, based upon the recent changes stemming from the Settlement Agreement in this docket and the resultant adoption of the Florida performance plan in the Performance Measurements Docket (Docket No. 01-00193), the version of the SGAT in effect at the time required substantial revision before it could be reviewed, much less approved.

IT IS THEREFORE ORDERED THAT:

1. The revisions to the Statement of Generally Available Terms related to BellSouth's SGAT rate sheet are hereby approved with the modifications stated herein.
2. BellSouth shall refile its SGAT rate sheet with the above ordered modifications no later than April 30, 2003.
3. Any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from the date of this Order.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Ron Jones, Director